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September 20, 2006

VIA HAND DELIVERY

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

ENTERED
Office of Proceedings

SEP 20 2006

Part of
Public Record



Re: STB Ex Parte No. 661
Rail Fuel Surcharges – Voluntary Monthly Report

Dear Secretary Williams:

In its August 3rd decision, the Surface Transportation Board (“STB” or “Board”) requested the Class I railroad carriers to voluntarily provide certain operational and revenue information for public dissemination during the pendency of the Board’s above-captioned proceeding. The Board provided a suggested format for submitting that information in the Appendix to the Board’s decision.

In an effort to cooperate with the Board’s goals in this proceeding, The Kansas City Southern Railway Company (“KCSR”) hereby voluntarily provides the STB with some of the requested information. With regard to a portion of the information that KCSR has not provided, KCSR’s information systems are not presently capable of sorting and retrieving the information requested by the Board. In addition, portions of the requested information concerning revenues are highly confidential and proprietary. Public disclosure of that information at this time could prejudice KCSR’s position in the industry and may violate confidentiality agreements and other legal restraints.

KCSR understands the Board’s desire to obtain as much information as possible and has attempted to provide that information to the best of its ability. KCSR looks forward to further explaining its position on the Board’s proposal, including the Board’s proposed reporting requirements, in KCSR’s October 2nd comments.

Sincerely,

William A. Mullins

Enclosures

APPENDIX

The Kansas City Southern
RAILROAD NAME Railway Company

MONTHLY REPORT OF
FUEL COST, CONSUMPTION AND FUEL SURCHARGE REVENUES
FOR THE MONTH OF August, 2006

Instructions

The report shall contain data for on the current month only. Cost and revenues are defined as accrued or earned this month. The report shall be filed with the Surface Transportation Board on or before 20 days after the end of the month.

LINE NO	Report all data in thousands (a)	(b)
1	Total fuel ¹	11,702.3
2	Gallons of fuel consumed	5,500.9
2	Increased or decreased cost of fuel ²	(661.8)
3	Revenue from fuel surcharges ³	--
4	Revenue from fuel surcharges collected on joint shipments with Class II and III railroads	--
5	Revenue reported in line 4 from fuel surcharges shared with Class II and III railroads	--

¹ Includes freight, yard and work train locomotives, but not passenger locomotives. Show cost of fuel charged to train and yard service (function 67-Loco. Fuels). Include all other fuel used for railroad operations and maintenance, including motor vehicles and power equipment not charged to function 67-Loco. Fuels (calculate the cost consistent with the instructions for function 67).

² Show the total increase or decrease in fuel cost over previous month. That is, the average per unit increased or decreased cost times the number of units used.

³ Show the total revenue from fuel surcharges.

6	Ton-miles of freight revenue - road service fuel surcharge applied to ⁴	--
7	Total ton-miles of freight revenue – road service	--

⁴ Show the revenue tons to which the fuel surcharge was applied.